

ORDINANCE NO. 1229

CITY OF LODI

AUTHORIZING THE NORTHERN CALIFORNIA POWER  
AGENCY TO ISSUE REVENUE BONDS (SHELL EAST  
BLOCK PROJECT - SECOND PHASE BONDS)

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LODI

that:

Section 1. - Northern California Power Agency organized under that certain Joint Powers Agreement to which this City is a party, dated July 19, 1968, as amended ("NCPA") is authorized pursuant to Section 6547 of the Government Code to issue bonds, notes, including bond anticipation notes, or other evidences of indebtedness (to be hereinafter referred to as "Second Phase Bonds") to the full extent permitted by the provisions of Section 6540 et seq. of the Government Code (the "Bond Act").

Section 2. - The project to be temporarily financed by the Second Phase Bonds hereby authorized is the purchase of the right to obtain electrical capacity produced by Northern California Municipal Power Corporation No. Three, nonprofit corporation (the "Corporation"), which has agreed to act on behalf of NCPA to carry out the acquisition, construction, maintenance and operation of a power plant and other facilities and appurtenances necessary or convenient to such plant, including transmission lines and geothermal steam wells ("Project")

(said geothermal steam to be produced from certain leasehold interests in Sonoma County, under a "NCPA EAST BLOCK GEOTHERMAL STEAM SALES AGREEMENT" between NCPA and Shell Oil Company, dated as of September 15, 1980.

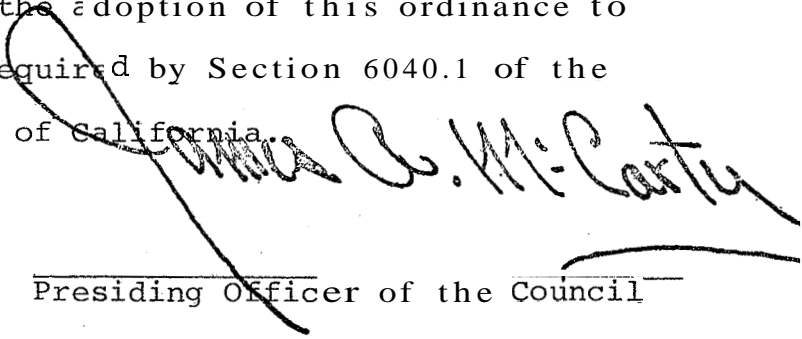
Section 3. - The estimated amount of Second Phase Bonds to be issued for the purposes described in Section 2 is five million five-hundred thousand dollars (\$5,500,000.00); provided that nothing herein shall be deemed to prevent the issuance of additional Second Phase Bonds to the extent such additional bonds are required to complete the temporary financing of the project described in Section 2 hereof including the issuance of bond anticipation rates and refunding bonds therefor.

Section 4. - The anticipated sources of revenue or other funds to pay the principal and interest on the Second Phase Bonds are payments under the "Member Agreement (Second Phase) for Financing or Planning and Development Activities" entered into between the members of NCPA and NCPA as of June 1, 1981, or additional Second Phase Bonds (including Second Phase Bonds used for refunding purposes); provided further such sources shall also include the proceeds of Third Phase Bonds payable from revenues for electricity generated from the project, separately authorized pursuant to Section 6547 of the Bond Act by subsequent ordinance for the purpose of permanent financing of the Project ("Third Phase Bonds") or bond anticipation notes in anticipation of the Third Phase Bonds; in addition, such Second Phase Bonds may be secured by a guarantee, letter of credit or other obligations or funds of a bank or private

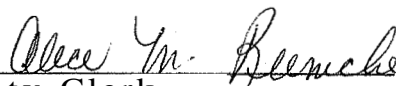
financial institution.

Section 5. - This ordinance is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California. Subject to the foregoing, this ordinance shall take effect and be in force sixty (60) days from the date of adoption.

Section 6. - The City Clerk of the City is hereby directed to cause this ordinance to be published within fifteen (15) days after its adoption in the newspaper of general circulation within the City of Lodi and shall also do all of the things required to cause notice of the adoption of this ordinance to be published in the manner required by Section 6040.1 of the Government Code of the State of California.

  
\_\_\_\_\_  
Presiding Officer of the Council

Attest:

  
\_\_\_\_\_  
City Clerk

Approved as to form:

  
\_\_\_\_\_  
City Attorney

I, Alice M. Reimche, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1229 was introduced at a regular meeting of the City Council of the City of Lodi held June 3, 1981 and was thereafter passed, adopted and ordered to print at a regular meeting of said Council held June 17, 1981 by the following vote:

Ayes : Councilmen - Hughes, Katnich and McCarty

Noes: Councilmen - None

Absent: Councilmen - Murphy and Pinkerton

Abstain: Councilmen - None

  
ALICE M. REIMCHE  
City Clerk